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May 31, 2017

Sanitary Sewer User Rate Study

Village of Bradley, Illinois



Prepared by:

Jon Cameron, CIPMA
Municipal Advisor

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Financial Specialist



Memo

To: Village of Bradley Village Board
From: Jon Cameron
Cc: Mark Pries, Finance Director
Date: May 31, 2017
Subject: Sanitary Sewer User Rate Study

Ehlers has completed the update to the Sanitary Sewer User Rate Study for the Village of Bradley. The initial rate study was presented to the Village in 2015. The study consisted of developing detailed user rates for the current year as well as long range projections for future years based upon future capital improvement needs, projected future billable sewer volumes and projected changes to operating expenses. In addition, one of the primary purposes of the study was to calculate the increase in user rates required to abate the need for property tax revenues to be used to fund part or all of the 2015 G.O. Alternate Revenue Source Refunding Bonds, and have the Sewer Utility be a self-sustaining entity.

At the request of Village staff, a plan was completed for evaluation by the Village Board. The plan establishes user rates sufficient to abate the need for property tax revenues to be used in paying for the utility's debt service payments.

Enclosed with this memo please find a summary PowerPoint presentation and the detailed rate study this case. We will be at the June 5th Village Board Workshop session to present the PowerPoint presentation and answer any questions.



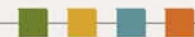
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Village of Bradley Sewer User Rate Study Workshop

Jon Cameron, Municipal Advisor
June 5, 2017



Study Purpose

- Develop Sewer Rates that are sufficient to meet all existing financial obligations of the Sewer Fund
 - Operating and Maintenance Expenses
 - Existing Debt Service Payments
 - Cash funded capital improvement expenditures
- Develop rates that do away with reliance on property tax revenues to pay for debt service
- Establish preliminary plan for future capital improvement needs
 - Identify future sewer rate increases necessary to fund future capital improvement projects
- Ensure user rates are fair and equitable to all customer classes

Village's Sewer Use Ordinance

- **Commits the Village to an Annual Review of User Rates**
- **54-204(G): Annual estimates of costs and review of user charge rates.**
- (3) User charge rates shall be reviewed annually by the superintendent to determine if the rates will provide sufficient revenues to pay the future costs of operation, maintenance, replacement and debt service. If the present revenues are not sufficient or do not maintain proportionally, as determined by the superintendent, a new user charge rate, as calculated in the superintendent's review, shall be enacted by the village to replace the rates then in effect. User charge rates so enacted by the village by ordinance shall remain in effect until modified or rescinded by a subsequent duly passed ordinance.

Historical Analysis of the Sewer Utility

Analysis of Operating Income	Actual 2014-15 ¹	Actual 2015-16 ¹	Estimated ² 2016-17	Budgeted ² 2017-18
<u>Revenues</u>				
User Rates	\$1,815,446	\$1,493,029	\$1,466,300	\$1,479,665
I-DROP Sewer Collections	\$0	\$681	\$0	\$0
KRMA Reimbursement	\$0	\$0	\$80,000	\$80,000
Property Taxes	\$425,493	\$425,170	\$399,363	\$400,550
Interest	\$612	\$400	\$300	\$300
Lien Shut-off Fee	\$2,098	\$0	\$0	\$0
Tap-On-Fees	\$41,600	\$41,700	\$25,600	\$30,000
Other Income	\$119,383	\$80,037	\$1,015	\$500
Total Operating Revenues	\$2,404,632	\$2,041,017	\$1,972,578	\$1,991,015
<u>Expenses</u>				
Operating and Maintenance	\$1,781,284	\$1,726,840	\$2,348,355	\$2,097,247
Transfer In - General Fund	\$0	\$0	\$0	\$0
Net Revenues before Debt Service	\$623,348	\$314,177	(\$375,777)	(\$106,232)
<u>Debt Expense</u>				
Total Principal and Interest	\$432,758	\$486,395	\$400,550	\$400,550
Net cash flow	\$190,590	(\$172,218)	(\$776,327)	(\$506,782)

Notes:

1. Source: Village of Bradley Annual Financial Report for Years ended April 30, 2015 and April 30, 2016.
2. Source: Village of Bradley FY2017-18 Annual Budget.

2017-2030 Estimated Sewer Utility Capital Improvement Plan

Project	Totals
Backhoe ¹	\$120,000
Pull-behind Generator ¹	\$20,000
Air Compressor ¹	\$0
Sewer System Evaluation	\$760,000
Sewer Main Repair/Lining/Replacement ²	\$6,105,000
Totals	\$7,005,000

Source of Funding	
IEPA Loan	\$0
GO Bonds	\$6,865,000
Tap-On Fees	\$0
Capital Outlay	\$140,000
Developer Paid	\$0
Total	\$7,005,000

Estimate of Sizing of GO Bonds (Grouping 3 Years of Projects)

Notes:

1. Source: Village of Bradley FY 2016-2020 Capital Improvement Plan for the Sewer Fund.
2. Source: M. Gingerich, Gereaux & Associates, received on 7/23/15.






2015-2030 Estimated Sewer Utility Capital Improvement Plan

- GO Bonds are planned to be issued every three years (3-years worth of projects)
 - \$1,140,000 GO Bond in 2017-18
 - \$1,515,000 GO Bond in 2020-21
 - \$1,650,000 GO Bond in 2023-24
 - \$1,920,000 GO Bond in 2026-27
 - \$1,920,000 GO Bond in 2029-30

Full Phase Out of Property Tax Revenue Year One

Volumetric Rates

	Current Rate	Proposed Rate	Increase/ (Decrease)	Percent Change
Volumetric Rate Per CCF	\$3.43	\$6.05	\$2.62	76%
Unmetered Rate per Quarter				

Customer	Monthly Usage	Meter Size	Current Monthly Sewer Charge	Proposed Monthly Sewer Charge	Percent Change
Residential	134	5/8	\$5	\$8	76%
Residential	401	5/8	\$14	\$24	76%
Residential	613	5/8	\$21	\$37	76%
Residential	724	5/8	\$25	\$44	76%
Commercial	1,671	5/8	\$57	\$101	76%
Commercial	2,473 	1	\$85	\$150	76%
Commercial	4,011 	2	\$138	\$243	76%
Industrial	16,711 	1	\$573	\$1,011	76%
Industrial	71,190 	2	\$2,442	\$4,307	76%
Industrial	91,912 	3	\$3,153	\$5,561	76%

Full Phase Out of Property Tax Revenue Year One

Fiscal Year Ending	1 Estimated 2017	1 Test Year 2018	2 2019	3 2020	4 2021	5 2022
User Rate Increase %		76.38%	10.00%	3.00%	7.00%	3.00%
Cumulative Percent Rate Increase		76.38%	84.02%	86.54%	92.60%	95.38%
Cash Sources						
Sewer Usage	\$1,466,300	\$2,550,801	\$2,812,896	\$2,904,526	\$3,115,612	\$3,217,103
Other Income	\$1,015	\$500	\$0	\$0	\$0	\$0
KRMA Reimbursement	\$80,000	\$80,000	\$0	\$0	\$0	\$0
Property Taxes	\$399,363	\$0	\$0	\$0	\$0	\$0
Tap On Fees	\$25,600	\$30,000	\$45,000	\$45,000	\$45,000	\$45,000
Investment Income	\$300	\$300	(\$298)	(\$254)	(\$101)	\$107
Total Revenues	\$1,972,578	\$2,661,601	\$2,857,597	\$2,949,272	\$3,160,512	\$3,262,210
Cash Uses						
Operating and Maintenance ²	\$2,348,355	\$2,097,247	\$2,160,164	\$2,224,969	\$2,291,718	\$2,360,470
Net before Debt Service	(\$375,777)	\$564,354	\$697,433	\$724,303	\$868,793	\$901,740
Debt Service						
2015 GO Sewer Refunding Bonds	\$400,550	\$400,550	\$397,900	\$400,100	\$397,000	\$393,750
2018 G.O. Bonds @4.0% (level P&I 15 Yr period)			\$120,071	\$120,071	\$120,071	\$120,071
2021 G.O. Bonds @4.0% (level P&I 15 Yr period)						\$176,734
2024 G.O. Bonds @4.5% (level P&I 15 Yr period)						
2027 G.O. Bonds @4.5% (level P&I 15 Yr period)						
Total Debt Service	\$400,550	\$400,550	\$517,971	\$520,171	\$517,071	\$690,556
Capital Outlay/Equipment Replacement	\$15,000	\$120,000	\$120,000	\$0	\$75,000	\$76,500
Net Cash Flow	(\$791,327)	\$43,804	\$59,462	\$204,131	\$276,722	\$134,685
Cash Balance						
Beginning of Year Balance ¹	\$349,711	(\$441,616)	(\$397,812)	(\$338,350)	(\$134,219)	\$142,503
Additions/(Subtractions)	(\$791,327)	\$43,804	\$59,462	\$204,131	\$276,722	\$134,685
End of Year Balance	(\$441,616)	(\$397,812)	(\$338,350)	(\$134,219)	\$142,503	\$277,188
Minimum Recommended Fund Balance ³	987,639	1,042,283	1,060,212	1,073,314	1,263,485	1,282,273
Estimated Balance vs. Recommended Bal	(1,429,255)	(1,440,095)	(1,398,563)	(1,207,533)	(1,120,982)	(1,005,086)



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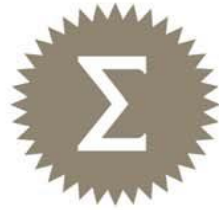
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Comparison of User Rates to Other Municipalities

Municipality	Fixed Charge	Volumetric Rate Per CCF	Monthly Bill for Avg SF Home ⁽¹⁾	Annual Bill for Avg SF Home
City of Kankakee	\$27.50	\$4.40	\$54.47	\$653.66
Village of Manteno	\$11.00	\$6.66	\$51.81	\$621.70
Village of Bradley - Proposed	\$0.00	\$6.05	\$37.09	\$445.04
Village of Bourbonnais	\$34.25	\$0.00	\$34.25	\$411.00
Village of Bradley - Current	\$0.00	\$3.43	\$21.03	\$252.31

Notes:

(1) Based upon 613 CCF usage per month.



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Jon Cameron, CIPMA
Municipal Advisor



Table 1**Comparison of Sewer Utility Historical Operating Income and Cash Flow***Village of Bradley, IL*

Analysis of Operating Income	Actual 2014-15 ¹	Actual 2015-16 ¹	Estimated ² 2016-17	Budgeted ² 2017-18
<u>Revenues</u>				
User Rates	\$1,815,446	\$1,493,029	\$1,466,300	\$1,479,665
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Tap-On-Fees	\$41,600	\$41,700	\$25,600	\$30,000
Other Income	\$119,383	\$80,037	\$1,015	\$500
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<u>Expenses</u>				
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Net Revenues before Debt Service	\$623,348	\$314,177	(\$375,777)	(\$106,232)
<u>Debt Expense</u>				
Total Principal and Interest	\$432,758	\$486,395	\$400,550	\$400,550
Net cash flow	\$190,590	(\$172,218)	(\$776,327)	(\$506,782)

Notes:

1. Source: Village of Bradley Annual Financial Report for Years ended April 30, 2015 and April 30, 2016.
2. Source: Village of Bradley FY2017-18 Annual Budget.

Table 2
Historical and Test Year Projected Sewer Utility Flows
Village of Bradley, IL



	Month	Flow in CCF			Totals
		Commercial	Industrial	Residential	
2015	July	7,403	834	27,180	35,417
	August	7,468	834	27,355	35,657
	September	7,473	834	27,104	35,411
	October	7,341	834	27,029	35,204
	November	7,414	834	26,947	35,195
	December	7,418	834	27,051	35,303
2016	January	7,422	834	27,082	35,338
	February	7,407	834	27,108	35,349
	March	7,337	834	27,121	35,292
	April	7,339	834	27,133	35,306
	2015-16 Monthly Average	7,402	834	27,111	35,347
	2015-16 Annualized Flow	88,826	10,008	325,332	424,166
2016	May	7,341	834	27,144	35,319
	June	6,909	564	26,736	34,209
	July	7,033	564	26,725	34,322
	August	6,930	564	26,791	34,285
	September	6,802	564	26,832	34,198
	October	7,371	564	26,998	34,933
	November	7,380	609	27,167	35,156
	December	7,349	609	27,463	35,421
2017	January	7,347	609	27,385	35,341
	February	7,347	609	27,468	35,424
	March	7,347	609	27,427	35,383
	April	7,355	609	27,494	35,458
	2016-17 Monthly Average	7,209	609	27,136	34,954
	2016-17 Annualized Flow	86,511	7,308	325,630	419,449

2017-18 Test Year Projections (CCF) 88,000 8,000 325,620 421,620

Notes:

1. July 2015-April 2017 flows taken from monthly billing records provided by the Village of Bradley.

Table 3
2017-18 Sewer Fund Capital Budget
Village of Bradley, IL



	2017-18 Budget
Sewer Operations and Maintenance (80-65-00)	
8900 Depreciation	\$390,000
Return on Net Investment Rate Base (ROI)	\$62,207
Total Capital Improvement/Outlay Revenue Req	\$452,207
Calculation of Capital Recovery	
P&I 2016 Refunding G.O. Sewerage Bonds (Alt Series)	\$400,550
Capital Outlay Expense ¹	\$120,000
Total Capital Expenses	\$520,550
Depreciation/ROI	\$452,207
Property Tax Revenue	\$0
Total Capital Recovery	\$452,207
Difference	(\$68,343)

Notes:

1. See Table 11 for listing of full capital improvement projects in the budget year.

Table 4
2015-16 Return on Net Investment Rate Base Calculation
Village of Bradley, IL



Rate of Return Calculation

4/30/14 Net Book Value of Sewer Assets ¹	\$6,814,992
2014/15 Additions ²	\$34,414
2014/15 Retirements	\$0
2014-15 Depreciation Expense ¹	\$373,659
4/30/15 Net Book Value of Sewer Assets	\$6,475,747
2015/16 Additions ³	\$120,000
2015/16 Retirements	\$0
2015-16 Depreciation Expense ⁴	\$375,000
4/30/16 Net Book Value of Sewer Assets	\$6,220,747
% Return on Net Investment Rate Base	1.00%
Return on Net Investment Rate Base (ROI)	\$62,207

Notes:

1. Source: Village of Bradley Fixed Asset List as of 4/30/2014.
2. Source: Village Finance Director, cost of pick up truck purchased in fiscal year.
3. See Table 11 for listing of assets.
4. Budgeted 2015-16 depreciation expense for the sewer fund.

Table 5
2015-16 Sewer Fund Operating and Maintenance Costs
Village of Bradley, IL



		2017-18 Budget
Operation and Maintenance		
5110	Telephone-Office	\$4,500
5115	JULIE Locates	\$3,000
5120	Electric	\$8,000
5130	Heating-Gas	\$2,500
5140	Water & Sewer	\$1,000
5220	Vehicle Fuel, Gas, Oil	\$5,000
5310	Equipment Repair	\$1,000
5330	Equipment Purchase	\$57,588
5410	Office Supplies	\$1,000
5430	Postage	\$25,000
5460	Hardware Purchase	\$1,000
5890	General Supplies	\$1,000
6210	Audit Fees	\$6,000
7020	Exterminating	\$1,000
7310	Engineering Service	\$60,000
7340	Other Fees & Service	\$32,000
7343	Lien Filing Fee	\$0
7346	Direct Debit Service	\$0
7550	Metro Sewer Service	\$1,186,800
Subtotal Operations & Maintenance		\$1,396,388
Management		
5010	Salary-Management	\$52,000
5023	Stipends	\$0
5109	Telephone-Mobile	\$1,200
5210	Vehicle Repair & Maintenance	\$500
6046	Dental Insurance	\$540
6047	Life & Disability Insurance	\$145
6050	Medical Insurance	\$10,772
6052	Village Share-IMRF	\$6,454
6053	Village Share-FICA	\$3,224
6054	Village Share-Medicare	\$816
6410	Memberships	\$300
6610	Conventions & Meetings	\$400
7210	Training & Schooling	\$500
7213	Meals & Per Diem	\$100
Subtotal Management		\$76,951
Support Staff (80-65-10)		
5011	Wages-Support Staff	\$80,477
5013	Overtime-Support Staff	\$2,500
5023	Stipends	\$1,800
6046	Dental Insurance	\$1,143
6047	Life & Disability Insurance	\$434
6050	Medical Insurance	\$21,216
6052	Village Share-IMRF	\$9,813
6053	Village Share-FICA	\$5,155
6054	Village Share-Medicare	\$1,204
7210	Training & Schooling	\$250

Table 5
2015-16 Sewer Fund Operating and Maintenance Costs
Village of Bradley, IL



	2017-18 Budget
Subtotal Support Staff	\$123,992
 Sewer Maintenance (80-65-81)	
5011 Wages-Sewer Maintenance	\$251,537
5013 Overtime	\$6,000
5016 Premium Overtime	\$4,000
5023 Stipends	\$6,400
5210 Vehicle Repair & Maintenance	\$7,500
5310 Equipment Repair	\$9,000
5330 Equipment Purchase	\$5,000
5340 Equipment Rental	\$250
5420 Department Projects	\$400,000
5815 Sewer Main Maintenance ³	\$65,000
5830 Gravel & Sand	\$2,000
5890 General Supplies	\$8,000
6046 Dental Insurance	\$3,492
6047 Life and Disability Insurance	\$1,158
6050 Medical Insurance	\$72,343
6052 Village Share-IMRF	\$31,112
6053 Village Share-FICA	\$16,309
6054 Village Share-Medicare	\$3,815
7210 Training & Schooling	\$2,000
7555 Chemicals	\$5,000
Subtotal Sewer Maintenance	\$899,916
Less: KRMA Reimbursement ²	(\$400,000)
Total Operating and Maintenance	\$2,097,247

Notes:

1. Source: 2017-18 Village of Bradley Sewer Fund Budget.
2. Source: 2017-18 Village of Bradley Sewer Fund Budget. The Village is completing work for KRMA in this fiscal year, and the expenses are incorporated above but are being offset by 5-year direct payments of \$80,000 from KRMA for the work performed.
3. Acct 5815 at \$65,000 for year because \$100,000 is in CIP for sewer system evaluation project

Table 6
Summary of Allocation of Revenue Requirements to Utility Function
Village of Bradley, IL



Revenue Requirements	Total	Volume		Fixed Charge	
	Cost	%	Cost	%	Cost
Operating and Maintenance	\$2,097,247	100%	\$2,097,247	0%	\$0
Capital Outlay & Equipment Replacement	\$452,207	100%	\$452,207	0%	\$0
Total Revenue Requirements	\$2,549,454	100%	\$2,549,454	0%	\$0

Table 7
Calculation of Sewer User Rates
Village of Bradley, IL



Calculation of Fixed Charge

	Cost	Units	Annual Cost per Unit
Operating & Maintenance	\$0	0	\$0.00
Capital Recovery	\$0	0	\$0.00
Total Debt/Capital Charge			\$0.00

Calculation of Volumetric Rates

	Cost	Billable Units (ccf)	Rate/Unit
Operating & Maintenance	\$2,097,247	421,620	\$4.974
Capital Recovery	\$452,207	421,620	\$1.073
Total Volumetric Rate per CCF			\$6.047

Summary of User Rates

Monthly Debt/Capital Charge	\$0.00
Volumetric Rate Per CCF	\$6.05
Unmetered Rate per Quarter	

Table 8
Revenue Check
Village of Bradley, IL



Fixed Charge

		Annual Debt/ Capital Charge	Revenue
Total Customers	0	\$0	\$0

Volumetric Rates

Customer Class	Volume CCF	Volumetric Rate/000 Gal	Revenue
Total Billable Flow	421,620	\$6.05	\$2,550,801

	Customers	Annual Rate	Revenue
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Unmetered Customers

Total Calculated Revenues			\$2,550,801.00
Revenue Requirement			\$2,549,454.47
Difference			\$1,346.53

Table 9
Comparison of Existing to Proposed Sewer User Rates
Village of Bradley, IL



Debt/Capital Charge

	Current Monthly Service Charge	Proposed Monthly Service Charge	Monthly Increase/(Decrease)	Percent Change
	\$0.00	\$0.00	\$0.00	0%

Volumetric Rates

	Current Rate	Proposed Rate	Increase/(Decrease)	Percent Change
Volumetric Rate Per CCF	\$3.43	\$6.05	\$2.62	76%
Unmetered Rate per Quarter				

Table 10
Comparison of Existing and Proposed Sewer User Rates For Example Customers
Village of Bradley, IL



Customer	Monthly Usage	Meter Size	Current Monthly Sewer Charge	Proposed Monthly Sewer Charge	Percent Change
Residential	134	5/8	\$5	\$8	76%
Residential	401	5/8	\$14	\$24	76%
Residential	613	5/8	\$21	\$37	76%
Residential	724	5/8	\$25	\$44	76%
Commercial	1,671	5/8	\$57	\$101	76%
Commercial	2,473	1	\$85	\$150	76%
Commercial	4,011	2	\$138	\$243	76%
Industrial	16,711	1	\$573	\$1,011	76%
Industrial	71,190	2	\$2,442	\$4,307	76%
Industrial	91,912	3	\$3,153	\$5,561	76%

Table 11
Long-Term Capital Improvement Plan ²
Village of Bradley, IL



Project	1 Budget 2017-18	2 Budget 2018-19	3 Budget 2019-20	4 Budget 2020-21	5 Budget 2021-22	6 Budget 2022-23	7 Budget 2023-24	8 Budget 2024-25	9 Budget 2025-26	10 Budget 2026-27	11 Budget 2027-28	12 Budget 2028-29	13 Budget 2029-30	Totals
Cues Sewer Camera Software ¹														\$0
SCADA System ¹														\$0
Backhoe ¹		\$120,000												\$120,000
Pull-behind Generator ¹	\$20,000													\$20,000
Air Compressor ¹														\$0
Sewer System Evaluation	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$90,000					\$1,140,000
Sewer Main Repair/Lining/Replacement ²	\$0	\$0	\$380,000	\$505,000	\$505,000	\$505,000	\$505,000	\$505,000	\$640,000	\$640,000	\$640,000	\$640,000	\$640,000	\$6,105,000
Totals	\$120,000	\$270,000	\$530,000	\$655,000	\$655,000	\$655,000	\$655,000	\$655,000	\$730,000	\$640,000	\$640,000	\$640,000	\$640,000	\$7,385,000
Source of Funding														
IEPA Loan														\$0
GO Bonds		\$150,000	\$530,000	\$655,000	\$655,000	\$655,000	\$655,000	\$655,000	\$730,000	\$640,000	\$640,000	\$640,000	\$640,000	\$7,245,000
Tap-On Fees														\$0
Capital Outlay	\$120,000	\$120,000												\$240,000
Developer Paid														\$0
Total	\$120,000	\$270,000	\$530,000	\$655,000	\$655,000	\$655,000	\$655,000	\$655,000	\$730,000	\$640,000	\$640,000	\$640,000	\$640,000	\$7,485,000
Estimate of Sizing of GO Bonds (Grouping 3 Years of Projects)		\$1,335,000			\$1,965,000			\$2,025,000			\$1,920,000			

Notes:

1. Source: Village of Bradley FY 2016-2020 Capital Improvement Plan for the Sewer Fund.
2. Source: M. Gingerich, Gereaux & Associates, received on 7/23/15.

Table 12
Cash Flow Analysis
Village of Bradley, IL



Fiscal Year Ending	1 Estimated 2017	1 Test Year 2018	2 2019	3 2020	4 2021	5 2022	6 2023	7 2024	8 2025	9 2026	10 2027	11 2028	12 2029	13 2030
User Rate Increase %		76.38%	10.00%	3.00%	7.00%	3.00%	3.00%	3.00%	5.00%	3.00%	3.00%	5.00%	3.00%	3.00%
Cumulative Percent Rate Increase		76.38%	84.02%	86.54%	92.60%	95.38%	98.24%	101.19%	106.25%	109.44%	112.72%	118.35%	121.91%	125.56%
Cash Sources														
Sewer Usage	\$1,466,300	\$2,550,801	\$2,812,896	\$2,904,526	\$3,115,612	\$3,217,103	\$3,321,901	\$3,430,111	\$3,610,621	\$3,728,237	\$3,849,684	\$4,052,274	\$4,184,277	\$4,320,580
Other Income	\$1,015	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
KRMA Reimbursement	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes	\$399,363	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tap On Fees	\$25,600	\$30,000	\$45,000	\$45,000	\$45,000	\$45,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$55,000	\$55,000	\$55,000
Investment Income	\$300	\$300	(\$298)	(\$254)	(\$101)	\$107	\$208	\$336	\$489	\$577	\$696	\$843	\$952	\$1,091
Total Revenues	\$1,972,578	\$2,661,601	\$2,857,597	\$2,949,272	\$3,160,512	\$3,262,210	\$3,372,108	\$3,480,447	\$3,661,110	\$3,778,814	\$3,900,380	\$4,108,117	\$4,240,229	\$4,376,671
Cash Uses														
Operating and Maintenance ²	\$2,348,355	\$2,097,247	\$2,160,164	\$2,224,969	\$2,291,718	\$2,360,470	\$2,431,284	\$2,504,223	\$2,579,349	\$2,656,730	\$2,736,432	\$2,818,525	\$2,903,080	\$2,990,173
Net before Debt Service	(\$375,777)	\$564,354	\$697,433	\$724,303	\$868,793	\$901,740	\$940,824	\$976,225	\$1,081,761	\$1,122,084	\$1,163,949	\$1,289,593	\$1,337,149	\$1,386,498
Debt Service														
2015 GO Sewer Refunding Bonds	\$400,550	\$400,550	\$397,900	\$400,100	\$397,000	\$393,750	\$395,350	\$395,200	\$398,200	\$395,600	\$397,600	\$394,000	\$400,000	\$400,000
2018 G.O. Bonds @4.0% (level P&I 15 Yr period)			\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071	\$120,071
2021 G.O. Bonds @4.0% (level P&I 15 Yr period)						\$176,734	\$176,734	\$176,734	\$176,734	\$176,734	\$176,734	\$176,734	\$176,734	\$176,734
2024 G.O. Bonds @4.5% (level P&I 15 Yr period)								\$188,555	\$188,555	\$188,555	\$188,555	\$188,555	\$188,555	\$188,555
2027 G.O. Bonds @4.5% (level P&I 15 Yr period)											\$178,779	\$178,779	\$178,779	\$178,779
Total Debt Service	\$400,550	\$400,550	\$517,971	\$520,171	\$517,071	\$690,556	\$692,156	\$692,006	\$883,561	\$880,961	\$882,961	\$1,058,140	\$1,064,140	\$1,064,140
Capital Outlay/Equipment Replacement	\$15,000	\$120,000	\$120,000	\$0	\$75,000	\$76,500	\$78,030	\$79,591	\$81,182	\$82,806	\$84,462	\$86,151	\$87,874	\$89,632
Net Cash Flow	(\$791,327)	\$43,804	\$59,462	\$204,131	\$276,722	\$134,685	\$170,639	\$204,628	\$117,018	\$158,317	\$196,525	\$145,302	\$185,135	\$232,726
Cash Balance														
Beginning of Year Balance ¹	\$349,711	(\$441,616)	(\$397,812)	(\$338,350)	(\$134,219)	\$142,503	\$277,188	\$447,826	\$652,455	\$769,472	\$927,790	\$1,124,315	\$1,269,616	\$1,454,751
Additions/(Subtractions)	(\$791,327)	\$43,804	\$59,462	\$204,131	\$276,722	\$134,685	\$170,639	\$204,628	\$117,018	\$158,317	\$196,525	\$145,302	\$185,135	\$232,726
End of Year Balance	(\$441,616)	(\$397,812)	(\$338,350)	(\$134,219)	\$142,503	\$277,188	\$447,826	\$652,455	\$769,472	\$927,790	\$1,124,315	\$1,269,616	\$1,454,751	\$1,687,477
Minimum Recommended Fund Balance ³	987,639	1,042,283	1,060,212	1,073,314	1,263,485	1,282,273	1,299,827	1,509,617	1,525,798	1,547,144	1,742,248	1,768,771	1,789,910	1,789,910
Estimated Balance vs. Recommended Bal	(1,429,255)	(1,440,095)	(1,398,563)	(1,207,533)	(1,120,982)	(1,005,086)	(852,000)	(857,162)	(756,326)	(619,354)	(617,933)	(499,154)	(335,159)	(102,432)

Notes
1. Source: Village of Bradley FY 15-16 Budget. Cash balance shown in budget increased by \$100,000 per Finance Director from 6/25/2015 Email.
2. O&M Expenses in 2017 and beyond take into consideration planned revenue figures for wastewater treatment for Bradley from KRMA. Remaining O&M Expenses are inflated by 3% annually.
3. Equal to 3 months operating and maintenance expenses plus one full year's debt service payment on outstanding debt.

Table 13
Single Family Home Rate Comparison - Surrounding Communities
Village of Bradley, IL



Municipality	Fixed Charge	Volumetric Rate Per CCF	Monthly Bill for Avg SF Home ⁽¹⁾	Annual Bill for Avg SF Home
City of Kankakee	\$27.50	\$4.40	\$54.47	\$653.66
Village of Manteno	\$11.00	\$6.66	\$51.81	\$621.70
Village of Bradley - Proposed	\$0.00	\$6.05	\$37.09	\$445.04
Village of Bourbonnais	\$34.25	\$0.00	\$34.25	\$411.00
Village of Bradley - Current	\$0.00	\$3.43	\$21.03	\$252.31

Notes:

(1) Based upon 613 CCF usage per month.